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October 23, 2001

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station – 2<sup>nd</sup> Floor  
Boston, Massachusetts 02110

**Re: NSTAR Electric - Default Service Tariffs**

Dear Secretary Cottrell:

Boston Edison Company, Commonwealth Electric Company, and Cambridge Electric Light Company (together, "NSTAR Electric") hereby submit to the Department of Telecommunications and Energy (the "Department") corrections to their October 15, 2001 filing consisting of: (1) corrections to Cambridge Electric Light Company M.D.T.E. No. 759, Schedule A, Page 2; and (2) corrections to Commonwealth Electric Company M.D.T.E. No. 495, Schedule A, Page 2. The changes in these two pages are corrections to the applicable rates for each customer class of service. For example, in NSTAR Electric's October 15<sup>th</sup> filing, M.D.T.E. No. 759, Schedule A, Page 2 referenced Rates R-1, R-2, R-3, and R-4 as applicable to the Residential class. The corrected Schedule A, Page 2 properly references Rates R-1, R-2, R-3, R-4, R-5 and R-6 as applicable to the Residential class. Similar corrections have been made on Schedule A, Page 2 for Small Commercial & Industrial, Large Commercial & Industrial, and Street Lighting/Area Lighting. Also, similar corrections to the referenced applicable rates have been made for Commonwealth Electric Company M.D.T.E. No. 495, Schedule A, Page 2.

No other changes have been made to the tariffs that NSTAR Electric filed with the Department on October 15<sup>th</sup>. The corrections filed herewith are typographical errors and do not affect the rates filed for approval or the terms and conditions of service for Default Service. Accordingly, with these two corrected pages, NSTAR Electric hereby restates its request for approval of the following proposed tariffs:

Boston Edison Company – M.D.T.E. No. 957, Default Service Rate

Cambridge Electric Light Company – M.D.T.E. No. 759, Default Service Rate

Commonwealth Electric Company – M.D.T.E. No. 495, Default Service Rate.

For ease of convenience, a complete set of these proposed tariffs is filed herewith.

If you have any questions with regard to this matter, please feel free to contact me.

Respectfully submitted,



John Cope-Flanagan

Enclosures

cc: Jeanne Voveris, Hearing Officer  
Ronald LeComte, Director, Electric Power Division  
Kevin Brannelly, Director, Rates and Revenue Requirements Division  
Joseph Rogers, Assistant Attorney General  
Robert Sydney, General Counsel, DOER  
Robert Werlin, Esq.

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**DEFAULT SERVICE**

**GENERAL**

This Tariff may be revised, amended, supplemented or supplanted in whole or in part from time to time according to the procedures provided in MDTE regulations and Massachusetts law. In case of conflict between this Tariff and any orders or regulations of the MDTE, said orders or regulations shall govern.

**DEFINITIONS**

"Company" shall mean the Boston Edison Company, a Distribution Company.

"Competitive Supplier" shall mean any entity licensed by the MDTE to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.

"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.

"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.

"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in this tariff.

"Distribution Company" shall mean a company engaging in the distribution of electricity or owning, operating, or controlling distribution facilities; provide, however, a Distribution Company shall not include any entity which owns or operates plant or equipment used to produce electricity, steam and chilled water, or any affiliate engaged solely in the provision of such electricity, steam, and chilled water, where the electricity produced by such entity or its affiliate is primarily for the benefit of hospitals and non-profit educational institutions, and where such plant or equipment was in operation prior to January 1, 1986.

"Distribution Service" shall mean the delivery of electricity to the Customer by the Distribution Company over lines that operate at a voltage level typically equal to or greater than 110 volts and less than 69,000 volts.

"Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.

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Issued by:     **R. D. Wright**  
                    **President**

Filed:             **October 15, 2001**  
Effective:        **January 1, 2002**

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**DEFAULT SERVICE**

**DEFINITIONS** (continued)

"MDTE" shall mean the Massachusetts Department of Telecommunications and Energy.

"Retail Access Date" shall mean March 1, 1998, unless otherwise determined by the MDTE.

"Standard Offer Service" shall mean the service provided pursuant to the Company's Standard Offer Service tariff, as filed with the MDTE.

**AVAILABILITY**

Default Generation Service ("Default Service") shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, is not receiving Generation Service from a Competitive Supplier. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions - Distribution Service, each as in effect from time to time.

**APPLICABILITY:**

Electricity delivered under this Rate Schedule shall be used solely by the Customer on the Customer's own premises for all purposes.

**CHARACTER OF SERVICE:**

Electric service delivered hereunder shall be single or three phase, alternating current, at a nominal frequency of sixty hertz, and at a locally available primary or secondary distribution voltage.

**INITIATION OF DEFAULT SERVICE**

Default Service may be initiated in any of the following manners:

- A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Distribution Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business of such notification for residential Customers. For other Customers, Default Service shall be initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

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**President**

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**DEFAULT SERVICE**

**INITIATION OF DEFAULT SERVICE (continued)**

- B. A Competitive Supplier notifies the Distribution Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer with the Customer's next scheduled meter read date, provided that the notice of termination of Generation Service is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;**
- C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Distribution Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;**
- D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.**
- E. A Customer who moves into the Company's service territory after the Retail Access Date who has not affirmatively chosen a Competitive Supplier.**

**DEFAULT SERVICE RATES**

**a) Two Rate Options**

**There are two rate options available to Customers on Default Service. The Supplemental Schedule to this tariff sets forth the rate options for each rate class for the two specified six-month periods. One option is referred to as the "Fixed Price Option". The second option is referred to as the "Variable Price Option". The rates for each option are subject to change at the end of the twelve-month period upon approval by the Department.**

**b) Initial Applicable Option**

**The following Customers will automatically be placed by the Company on the Fixed Price Option, unless they otherwise make an election under section (c) and (d) below:**

- (i) residential Customers in rate classes R-1, R-2, R-3 and R-4.**
- (ii) small commercial & industrial Customers in rate classes G-1, G-2, and T-1.**

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**President**

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**DEFAULT SERVICE**

**b) Initial Applicable Option (continued)**

The following Customers will automatically be placed by the Company on the Variable Price Option, unless they otherwise make an election under section (c) and (d) below:

- (i) large commercial & industrial Customers in rate classes G-3 and T-2.
- (ii) Streetlighting Customers in rate classes S-1, S-2 and S-3.

**c) One-Time Right to Elect Different Option**

Customers have a one-time right to elect an option other than the one they are automatically placed on by the Company. However, once the election is made, such Customers will be required to remain on the elected option during their uninterrupted stay on Default Service unless and until they begin taking Generation Service from a Competitive Supplier. Default Service Customers may make this election at the time they are first placed on Default Service or at any time after service has commenced.

**d) Timing of Any Switch to a Different Option**

Customers may notify the Company at any time to elect a different pricing option. The Company will switch the customer to the elected option on the next scheduled meter read date after receiving notice from the customer, provided that the Company has received notice no later than two (2) business days prior to the next meter read date. Otherwise, the switch will not occur until the next successive meter read date after receipt of the notice.

**e) Changes in Supplemental Schedule**

The Company will file a new Supplemental Schedule for the next six-month period prior to the expiration of the current period.

**f) Calculation of Fixed and Variable Pricing Option**

The Company calculates the Fixed and Variable Pricing Options based on the winning bid(s) accepted by the Company from suppliers. The Variable Price Option represents the actual monthly price from the applicable winning bid(s) for each month of the two six-month periods. The Fixed Price Option represents a weighted average of the six monthly variable price bids for each of the two six-month periods.

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President

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**DEFAULT SERVICE**

**g) Billing Adjustment when Leaving Default Service**

Customers receiving Default Service under the Fixed Price Option who leave Default Service to receive Generation Service from a Competitive Supplier shall be subject to a billing adjustment for the time they were billed under the Fixed Price Option during the last six-month pricing period. Specifically, the billing adjustment shall be based on the difference between the rate under the Fixed Price Option for the last applicable six-month pricing period during which the Customer was on Default Service and the monthly rates under the Variable Price Option for the same period, multiplied by the Customer's kilowatt-hour usage during the same period. The billing adjustment can be either a charge or a credit, depending upon the rates in effect at the time.

**h) Low-Income Customers**

Customers taking service under the Company's Residential Assistance Rate R-2 will automatically be billed at the lower of the Company's (i) Standard Offer Service Rate or (ii) the Fixed Price Option of the Default Service Rate in effect during the corresponding period.

**BILLING**

Each Customer receiving Default Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

**TERMINATION OF DEFAULT SERVICE**

Default Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers.

If the Company receives the notice of initiation of Generation Service by the Competitive Supplier fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

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**President**

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**DEFAULT SERVICE**

**SUPPLEMENTAL SCHEDULE – TARIFF FOR DEFAULT SERVICE**

In accordance with the terms of the Default Service tariff, the rates for Default Service for customers receiving such service from the Company are listed below. All rates will be applied as a cents/kwh charge, for usage on and after the first day of each calendar month.

**FOR THE PERIOD JANUARY 1, 2002 THROUGH JUNE 30, 2002**

**Residential**

**(Rates R1, R2, R3, and R4)**

**Fixed Price Option:** 6.393 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
6.823	6.794	6.085	6.034	6.099	6.464

**Small Commercial & Industrial**

**(Rates G1, G2 and T1)**

**Fixed Price Option:** 6.574 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
7.044	7.105	6.311	6.172	6.220	6.536

**Large Commercial & Industrial**

**(Rates G3 and T2)**

**Fixed Price Option:** 6.549 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
7.346	7.166	5.993	5.939	6.023	6.715

**Street Lighting /Area Lighting**

**(Rates S1, S2 and S3)**

**Fixed Price Option:** 6.574 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
7.044	7.105	6.311	6.172	6.220	6.536

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**DEFAULT SERVICE**

**FOR THE PERIOD JULY 1, 2002 THROUGH DECEMBER 31, 2002**

**Residential**

**(Rates R1, R2, R3, and R4)**

**Fixed Price Option: 5.638 cents per kilowatt-hour.**

<b>Variable Price Option:</b>	<b><u>Jul</u></b>	<b><u>Aug</u></b>	<b><u>Sep</u></b>	<b><u>Oct</u></b>	<b><u>Nov</u></b>	<b><u>Dec</u></b>
	5.638	5.638	5.638	5.638	5.638	5.638

**Small Commercial & Industrial**

**(Rates G1, G2 and T1)**

**Fixed Price Option: 5.671 cents per kilowatt-hour.**

<b>Variable Price Option:</b>	<b><u>Jul</u></b>	<b><u>Aug</u></b>	<b><u>Sep</u></b>	<b><u>Oct</u></b>	<b><u>Nov</u></b>	<b><u>Dec</u></b>
	5.671	5.671	5.671	5.671	5.671	5.671

**Large Commercial & Industrial**

**(Rates G3 and T2)**

**Fixed Price Option: 5.922 cents per kilowatt-hour.**

<b>Variable Price Option:</b>	<b><u>Jul</u></b>	<b><u>Aug</u></b>	<b><u>Sep</u></b>	<b><u>Oct</u></b>	<b><u>Nov</u></b>	<b><u>Dec</u></b>
	7.127	7.240	5.304	4.686	5.019	5.877

**Street Lighting /Area Lighting**

**(Rates S1, S2 and S3)**

**Fixed Price Option: 5.671 cents per kilowatt-hour.**

<b>Variable Price Option:</b>	<b><u>Jul</u></b>	<b><u>Aug</u></b>	<b><u>Sep</u></b>	<b><u>Oct</u></b>	<b><u>Nov</u></b>	<b><u>Dec</u></b>
	5.671	5.671	5.671	5.671	5.671	5.671

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**DEFAULT SERVICE**

**DEFINITIONS**

**"Competitive Supplier" shall mean any entity licensed by the MDTE to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.**

**"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.**

**"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.**

**"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in this tariff.**

**"Distribution Company" or "Company" shall mean Cambridge Electric Light Company.**

**"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.**

**"Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.**

**"MDTE" shall mean the Massachusetts Department of Telecommunications and Energy.**

**"Retail Access Date" shall mean March 1, 1998.**

**"Standard Offer Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Default Service, in accordance with the provisions set forth in the Company's Standard Offer Service tariff, on file with the MDTE.**

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**President**

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**DEFAULT SERVICE**

**AVAILABILITY**

Default Generation Service ("Default Service") shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, is not receiving Generation Service from a Competitive Supplier. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions - Distribution Service, each as in effect from time to time.

**APPLICABILITY:**

Electricity delivered under this Rate Schedule shall be used solely by the Customer on the Customer's own premises for all purposes.

**CHARACTER OF SERVICE:**

Electric service delivered hereunder shall be single or three phase, alternating current, at a nominal frequency of sixty hertz, and at a locally available primary or secondary distribution voltage.

**INITIATION OF DEFAULT SERVICE**

Default Service may be initiated in any of the following manners:

- A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Distribution Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business of such notification for residential Customers. For other Customers, Default Service shall be initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;
- B. A Competitive Supplier notifies the Distribution Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer concurrent with the Customer's next scheduled meter read date, provided that the notice of termination of Generation Service is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and

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**DEFAULT SERVICE**

**INITIATION OF DEFAULT SERVICE** (continued)

Conditions for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

- C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Distribution Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;
- D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.
- E. A Customer who moves into the Company's service territory after the Retail Access Date who has not affirmatively chosen a Competitive Supplier.

**DEFAULT SERVICE RATES**

a) **Two Rate Options**

There are two rate options available to Customers on Default Service. The Supplemental Schedule to this tariff sets forth the rate options for each rate class for the two specified six-month periods. One option is referred to as the "Fixed Price Option". The second option is referred to as the "Variable Price Option". The rates for each option are subject to change at the end of the twelve-month period upon approval by the Department.

b) **Initial Applicable Option**

The following Customers will automatically be placed by the Company on the Fixed Price Option, unless they otherwise make an election under section (c) and (d) below:

- (i) residential Customers in rate classes R-1, R-2, R-3, R-4, R-5 and R-6.
- (ii) small commercial & industrial Customers in rate classes G-0, G-1, G-4, G-5 and G-6.

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**DEFAULT SERVICE**

**b) Initial Applicable Option (continued)**

The following Customers will automatically be placed by the Company on the Variable Price Option, unless they otherwise make an election under section (c) and (d) below:

- (i) large commercial & industrial Customers in rate classes G-2 and G-3.
- (ii) Streetlighting Customers in rate class S-1.

**c) One-Time Right to Elect Different Option**

Customers have a one-time right to elect an option other than the one they are automatically placed on by the Company. However, once the election is made, such Customers will be required to remain on the elected option during their uninterrupted stay on Default Service unless and until they begin taking Generation Service from a Competitive Supplier. Default Service Customers may make this election at the time they are first placed on Default Service or at any time after service has commenced.

**d) Timing of Any Switch to a Different Option**

Customers may notify the Company at any time to elect a different pricing option. The Company will switch the customer to the elected option on the next scheduled meter read date after receiving notice from the customer, provided that the Company has received notice no later than two (2) business days prior to the next meter read date. Otherwise, the switch will not occur until the next successive meter read date after receipt of the notice.

**e) Changes in Supplemental Schedule**

The Company will file a new Supplemental Schedule for the next six-month period prior to the expiration of the current period.

**f) Calculation of Fixed and Variable Pricing Option**

The Company calculates the Fixed and Variable Pricing Options based on the winning bid(s) accepted by the Company from suppliers. The Variable Price Option represents the actual monthly price from the applicable winning bid(s) for each month of the two six-month periods. The Fixed Price Option represents a weighted average of the six monthly variable price bids for each of the two six-month periods.

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**DEFAULT SERVICE**

**g) Billing Adjustment when Leaving Default Service**

Customers receiving Default Service under the Fixed Price Option who leave Default Service to receive Generation Service from a Competitive Supplier shall be subject to a billing adjustment for the time they were billed under the Fixed Price Option during the last six-month pricing period. Specifically, the billing adjustment shall be based on the difference between the rate under the Fixed Price Option for the last applicable six-month pricing period during which the Customer was on Default Service and the monthly rates under the Variable Price Option for the same period, multiplied by the Customer's kilowatt-hour usage during the same period. The billing adjustment can be either a charge or a credit, depending upon the rates in effect at the time.

**h) Low-Income Customers**

Customers taking service under the Company's Residential Assistance Rate R-2 or Rate R-4 will automatically be billed at the lower of the Company's (i) Standard Offer Service Rate or (ii) the Fixed Price Option of the Default Service Rate in effect during the corresponding period.

**BILLING**

Each Customer receiving Default Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

**TERMINATION OF DEFAULT SERVICE**

Default Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers.

If the Company receives the notice of initiation of Generation Service by the Competitive Supplier fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

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DEFAULT SERVICE

SUPPLEMENTAL SCHEDULE – TARIFF FOR DEFAULT SERVICE

In accordance with the terms of the Default Service tariff, the rates for Default Service for customers receiving such service from the Company are listed below. All rates will be applied as a cents/kwh charge, for usage on and after the first day of each calendar month.

FOR THE PERIOD JANUARY 1, 2002 THROUGH JUNE 30, 2002

Residential

(Rates R1, R2, R3, R4, R5 and R6)

Fixed Price Option:

6.060 cents per kilowatt-hour.

Variable Price Option:

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
6.481	6.446	5.767	5.739	5.792	6.132

Small Commercial & Industrial

(Rates G0, G1, G4, G5, and G6)

Fixed Price Option:

6.232 cents per kilowatt-hour.

Variable Price Option:

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
6.688	6.741	5.992	5.859	5.900	6.208

Large Commercial & Industrial

(Rates G2 and G3)

Fixed Price Option:

6.175 cents per kilowatt-hour.

Variable Price Option:

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
6.948	6.772	5.665	5.611	5.691	6.351

Street Lighting /Area Lighting

(Rate S1)

Fixed Price Option:

6.232 cents per kilowatt-hour.

Variable Price Option:

<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
6.688	6.741	5.992	5.859	5.900	6.208

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**DEFAULT SERVICE**

FOR THE PERIOD JULY 1, 2002 THROUGH DECEMBER 31, 2002

**Residential**

(Rates R1, R2, R3, R4, R5 and R6)

Fixed Price Option: 5.351 cents per kilowatt-hour.

Variable Price Option:

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
5.351	5.351	5.351	5.351	5.351	5.351

**Small Commercial & Industrial**

(Rates G0, G1, G4, G5 and G6)

Fixed Price Option: 5.380 cents per kilowatt-hour.

Variable Price Option:

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
5.380	5.380	5.380	5.380	5.380	5.380

**Large Commercial & Industrial**

(Rates G2 and G3)

Fixed Price Option: 5.613 cents per kilowatt-hour.

Variable Price Option:

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
6.735	6.845	5.015	4.427	4.745	5.553

**Street Lighting /Area Lighting**

(Rates S1)

Fixed Price Option: 5.380 cents per kilowatt-hour.

Variable Price Option:

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
5.380	5.380	5.380	5.380	5.380	5.380

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**DEFAULT SERVICE**

**DEFINITIONS**

**"Competitive Supplier" shall mean any entity licensed by the MDTE to sell electricity to retail Customers in Massachusetts, with the following exceptions: (1) a Distribution Company providing Standard Offer Service and Default Service to its distribution Customers, and (2) a municipal light department that is acting as a Distribution Company.**

**"Customer" shall mean any person, partnership, corporation, or any other entity, whether public or private, who obtains Distribution Service at a Customer Delivery Point and who is a Customer of record of the Company.**

**"Customer Delivery Point" shall mean the Company's meter or a point designated by the Company located on the Customer's premises.**

**"Default Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Standard Offer Service, in accordance with the provisions set forth in this tariff.**

**"Distribution Company" or "Company" shall mean Commonwealth Electric Company.**

**"Distribution Service" shall mean the delivery of electricity to Customers by the Distribution Company.**

**"Generation Service" shall mean the sale of electricity, including ancillary services such as the provision of reserves, to a Customer by a Competitive Supplier.**

**"MDTE" shall mean the Massachusetts Department of Telecommunications and Energy.**

**"Retail Access Date" shall mean March 1, 1998.**

**"Standard Offer Service" shall mean the service provided by the Distribution Company to a Customer who is not receiving either Generation Service from a Competitive Supplier or Default Service, in accordance with the provisions set forth in the Company's Standard Offer Service tariff, on file with the MDTE.**

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**DEFAULT SERVICE**

**AVAILABILITY**

Default Generation Service ("Default Service") shall be available to any Customer who is not receiving Standard Offer Service and who, for any reason, is not receiving Generation Service from a Competitive Supplier. Service under this rate to any Customer is subject to both the Company's printed requirements and the Company's Terms and Conditions - Distribution Service, each as in effect from time to time.

**APPLICABILITY:**

Electricity delivered under this Rate Schedule shall be used solely by the Customer on the Customer's own premises for all purposes.

**CHARACTER OF SERVICE:**

Electric service delivered hereunder shall be single or three phase, alternating current, at a nominal frequency of sixty hertz, and at a locally available primary or secondary distribution voltage.

**INITIATION OF DEFAULT SERVICE**

Default Service may be initiated in any of the following manners:

- A. A Customer who is receiving Generation Service from a Competitive Supplier notifies the Distribution Company that he wishes to terminate such service and receive Default Service. In this instance, Default Service shall be initiated within two (2) business of such notification for residential Customers. For other Customers, Default Service shall be initiated concurrent with the Customer's next scheduled meter read date, provided that the Customer has provided such notification to the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers. If the Customer provided such notification fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;
- B. A Competitive Supplier notifies the Distribution Company that it shall terminate Generation Service to a Customer. In this instance, Default Service shall be initiated for the Customer concurrent with the Customer's next scheduled meter read date, provided that the notice of termination of Generation Service is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and

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**DEFAULT SERVICE**

**INITIATION OF DEFAULT SERVICE (continued)**

Conditions for Competitive Suppliers. If the notice of termination is received fewer than two (2) days before the Customer's next scheduled meter read date, Default Service shall be initiated concurrent with the Customer's subsequent scheduled meter read date;

- C. A Competitive Supplier ceases to provide Generation Service to a Customer, without notification to the Distribution Company. In this instance, Default Service to the Customer shall be initiated immediately upon the cessation of Generation Service;
- D. A Customer taking Standard Offer Service has not chosen affirmatively a Competitive Supplier at the end of the term of Standard Offer Service.
- E. A Customer who moves into the Company's service territory after the Retail Access Date who has not affirmatively chosen a Competitive Supplier.

**DEFAULT SERVICE RATES**

a) **Two Rate Options**

There are two rate options available to Customers on Default Service. The Supplemental Schedule to this tariff sets forth the rate options for each rate class for the two specified six-month periods. One option is referred to as the "Fixed Price Option". The second option is referred to as the "Variable Price Option". The rates for each option are subject to change at the end of the twelve-month period upon approval by the Department.

b) **Initial Applicable Option**

The following Customers will automatically be placed by the Company on the Fixed Price Option, unless they otherwise make an election under section (c) and (d) below:

- (i) residential Customers in rate classes R-1, R-2, R-3, R-4, R-5 and R-6.
- (ii) small commercial & industrial Customers in rate classes G-1, G-4, G-5, G-6 and G-7.

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**DEFAULT SERVICE**

**b) Initial Applicable Option (continued)**

The following Customers will automatically be placed by the Company on the Variable Price Option, unless they otherwise make an election under section (c) and (d) below:

- (i) large commercial & industrial Customers in rate classes G-2 and G-3.
- (ii) Streetlighting Customers in rate classes S-1 and S-2.

**c) One-Time Right to Elect Different Option**

Customers have a one-time right to elect an option other than the one they are automatically placed on by the Company. However, once the election is made, such Customers will be required to remain on the elected option during their uninterrupted stay on Default Service unless and until they begin taking Generation Service from a Competitive Supplier. Default Service Customers may make this election at the time they are first placed on Default Service or at any time after service has commenced.

**d) Timing of Any Switch to a Different Option**

Customers may notify the Company at any time to elect a different pricing option. The Company will switch the customer to the elected option on the next scheduled meter read date after receiving notice from the customer, provided that the Company has received notice no later than two (2) business days prior to the next meter read date. Otherwise, the switch will not occur until the next successive meter read date after receipt of the notice.

**e) Changes in Supplemental Schedule**

The Company will file a new Supplemental Schedule for the next six-month period prior to the expiration of the current period.

**f) Calculation of Fixed and Variable Pricing Option**

The Company calculates the Fixed and Variable Pricing Options based on the winning bid(s) accepted by the Company from suppliers. The Variable Price Option represents the actual monthly price from the applicable winning bid(s) for each month of the two six-month periods. The Fixed Price Option represents a weighted average of the six monthly variable price bids for each of the two six-month periods.

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**DEFAULT SERVICE**

**g) Billing Adjustment when Leaving Default Service**

Customers receiving Default Service under the Fixed Price Option who leave Default Service to receive Generation Service from a Competitive Supplier shall be subject to a billing adjustment for the time they were billed under the Fixed Price Option during the last six-month pricing period. Specifically, the billing adjustment shall be based on the difference between the rate under the Fixed Price Option for the last applicable six-month pricing period during which the Customer was on Default Service and the monthly rates under the Variable Price Option for the same period, multiplied by the Customer's kilowatt-hour usage during the same period. The billing adjustment can be either a charge or a credit, depending upon the rates in effect at the time.

**h) Low-Income Customers**

Customers taking service under the Company's Residential Assistance Rate R-2 or Rate R-4 will automatically be billed at the lower of the Company's (i) Standard Offer Service Rate or (ii) the Fixed Price Option of the Default Service Rate in effect during the corresponding period.

**BILLING**

Each Customer receiving Default Service shall receive one bill from the Company, reflecting unbundled charges for their electric service.

**TERMINATION OF DEFAULT SERVICE**

Default Service may be terminated by a Customer concurrent with the Customer's next scheduled meter read date provided that notice of initiation of Generation Service by a Competitive Supplier is received by the Company two (2) or more business days before the next scheduled meter read date, in accordance with the Company's Terms and Conditions for Competitive Suppliers.

If the Company receives the notice of initiation of Generation Service by the Competitive Supplier fewer than two days before the Customer's next scheduled meter read date, Default Service shall be terminated concurrent with the Customer's subsequent scheduled meter read date.

There shall be no fee for terminating Default Service.

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DEFAULT SERVICE

SUPPLEMENTAL SCHEDULE – TARIFF FOR DEFAULT SERVICE

In accordance with the terms of the Default Service tariff, the rates for Default Service for customers receiving such service from the Company are listed below. All rates will be applied as a cents/kwh charge, for usage on and after the first day of each calendar month.

FOR THE PERIOD JANUARY 1, 2002 THROUGH JUNE 30, 2002

Residential

(Rates R1, R2, R3, R4, R5 and R6)

Fixed Price Option: 6.289 cents per kilowatt-hour.

Variable Price Option:	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
	6.681	6.652	5.954	5.912	5.974	6.331

Small Commercial & Industrial

(Rates G1, G4, G5, G6 and G7)

Fixed Price Option: 6.468 cents per kilowatt-hour.

Variable Price Option:	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
	6.894	6.957	6.184	6.043	6.092	6.396

Large Commercial & Industrial

(Rates G2 and G3)

Fixed Price Option: 6.410 cents per kilowatt-hour.

Variable Price Option:	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
	7.129	6.958	5.825	5.760	5.838	6.522

Street Lighting /Area Lighting

(Rates S1 and S2)

Fixed Price Option: 6.468 cents per kilowatt-hour.

Variable Price Option:	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
	6.894	6.957	6.184	6.043	6.092	6.396

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**DEFAULT SERVICE**

**FOR THE PERIOD JULY 1, 2002 THROUGH DECEMBER 31, 2002**

**Residential**

(Rates R1, R2, R3, R4, R5 and R6)

**Fixed Price Option:** 5.520 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
5.520	5.520	5.520	5.520	5.520	5.520

**Small Commercial & Industrial**

(Rates G1, G4, G5, G6 and G7)

**Fixed Price Option:** 5.552 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
5.552	5.552	5.552	5.552	5.552	5.552

**Large Commercial & Industrial**

(Rates G2 and G3)

**Fixed Price Option:** 5.792 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
6.928	7.033	5.159	4.550	4.878	5.709

**Street Lighting /Area Lighting**

(Rates S1 and S2)

**Fixed Price Option:** 5.552 cents per kilowatt-hour.

**Variable Price Option:**

<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
5.552	5.552	5.552	5.552	5.552	5.552

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